



The Commonwealth of Massachusetts

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

NOTICE OF FILING AND PUBLIC HEARING

D.T.E. 06-109

December 7, 2006

Petition of Fitchburg Gas and Electric Light Company d/b/a Unitil, pursuant to General Laws Chapter 164, § 94, and 220 C.M.R. §§ 5.00 et seq., for approval of a base distribution rate settlement for its gas division, effective February 1, 2007.

Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil" or "Company") has filed a petition with the Department of Telecommunications and Energy ("Department") seeking approval of a distribution rate settlement ("Settlement") regarding Unitil's gas division ("Unitil Gas") entered into with the Attorney General of the Commonwealth of Massachusetts ("Attorney General") (collectively, "Parties"). The Department docketed this proceeding as D.T.E. 06-109.

According to Unitil, the Settlement is proposed in lieu of a base rate filing wherein the Company was prepared to ask for an increase of \$3.961 million for Unitil Gas. The Settlement provides: (1) that Unitil Gas's base distribution rates will increase by \$1.2 million on February 1, 2007, and by an additional \$1.0 million on November 1, 2007; (2) for 2007 and 2008, that Unitil Gas's base distribution rates will be subject to exogenous costs with identical regulatory requirements and formulae as ordered in Boston Gas Company, D.T.E. 03-40 (2004); and (3) that Unitil Gas will be subject to service quality penalties and offsets as set forth in its current service quality plan as approved in Service Quality Guidelines, D.T.E. 99-84 (2001).

If approved, a typical residential non-heating customer of Unitil Gas who uses 20 therms of gas per month during the winter season would see a bill increase of \$0.69 per month. A residential heating customer using 125 therms of gas per month during the winter season would see a bill increase of \$6.82 per month. Bill impacts to commercial and industrial customers would vary.

Copies of the petition are available for inspection for public viewing during normal viewing hours at the offices of the Company, 285 John Fitch Highway, Fitchburg, Massachusetts, and the offices of the Department, One South Station - 2nd Floor, Boston, Massachusetts 02110. The petition is also available on the Department's website,

<http://www.mass.gov/dte>. For further information regarding Unitil Gas's filing, please contact the Company's counsel, Gary Epler at 603-773-6440.

The Department has scheduled the following public hearing to take place on **Thursday, January 4, 2007, at 7:00 p.m.** to receive comment on the Company's proposal:

Fitchburg Public Library Auditorium
640 Main Street
Fitchburg, Massachusetts

Any person interested in commenting on this Settlement may appear at the public hearing or file written comments not later than the close of business (5:00 p.m.) on **Friday, December 29, 2006**. Any person interested in participating in the evidentiary phase of this proceeding must file a written petition for leave to intervene or to participate in the proceeding not later than the close of business (5:00 p.m.) on **Friday, December 29, 2006**.

All written documents must be filed with the Department of Telecommunications and Energy, One South Station, Boston, Massachusetts 02110, as follows: an original and ten (10) copies with Mary L. Cottrell, Secretary. In addition, one (1) copy of all written documents must be sent to counsel for the Company, Gary Epler, Unitil Service Corp., 6 Liberty Lane West, Hampton, New Hampshire 03842-1720.

A petition to intervene must satisfy the timing and substantive requirements of 220 C.M.R. § 1.03. Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition filed late may be disallowed as untimely, unless good cause is shown for a waiver under 220 C.M.R. § 1.01(4). To be allowed, a petition under 220 C.M.R. § 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

All written documents should also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us and to John.Geary@state.ma.us; or (2) on a 3.5" disk, IBM-compatible format. The text of the e-mail or the disk label must specify: (1) the docket number of the proceeding (D.T.E. 06-109), (2) name of the person or company submitting the filing, and (3) a brief descriptive title of the document. The electronic filing should also include the name, title and phone number of a person to contact in the event of questions about the filing. Text responses should be created in either Corel WordPerfect, Microsoft Word, or as an Adobe-compatible PDF file. Data or spreadsheet responses should be compatible with Microsoft Excel. Documents submitted in electronic format will be posted on the Department's Website, <http://www.mass.gov/dte>.



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ORDER OF NOTICE

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Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil" or "Company") shall, 21 days prior to **Thursday, January 4, 2007**, and once again at least seven (7) days prior to said date publish the attached Notice of Filing and Public Hearing ("Notice") in the Fitchburg - Leominster Sentinel and Enterprise and either the Boston Herald or The Boston Globe.

Unitil is also required to serve the Notice upon the Chairmen of the Boards of Selectmen, Town Clerks, Mayors, and City Clerks of Fitchburg, Ashby, Gardner, Westminster, Townsend, and Lunenburg, and the service list in Fitchburg Gas and Electric Light Company, D.T.E. 02-24/25 (2002). The Company shall also provide actual notice to any person who has filed a request for notice with Unitil, and is also required to make return of service and proof of publication at the time of the public hearing.

By Order of the Department,

Mary L. Cottrell, Secretary